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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|-----------------|-------------|----------------------|---------------------|------------------|
| 09/753,487      | 01/04/2001  | Hwang-Sub Kwon       | P56178              | 2155             |

8439 7590 06/24/2004

ROBERT E. BUSHNELL  
1522 K STREET NW  
SUITE 300  
WASHINGTON, DC 20005-1202

EXAMINER

DASS, HARISH T

|          |              |
|----------|--------------|
| ART UNIT | PAPER NUMBER |
|----------|--------------|

3628

DATE MAILED: 06/24/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/753,487

Applicant(s)

KWON, HWANG-SUB

Examiner

Harish T Dass

Art Unit

3628

MLW

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 04 January 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-26 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-26 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

***Claim Rejections - 35 USC § 102***

1. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

**Claims 1-2, 4-5, 10-11, 13-15, 17, and 24 are rejected under 35 U.S.C. 102(b) as being anticipated by McCarthy (US 5,176,312).**

Re. Claims 1, McCarthy discloses an on-line wagering system with programmable game entry cards including cards having on-card data storage for value tokens and data uniquely related to the player, where the player cards are operable as payment means in which the tokens are spent and as play validation and play entry means in lieu of mark sense slips and printed validation receipts [see entire document, particularly Abstract; Figures; CC1 L5 to C4 L61], an integrated circuit card for storing information [C1 L3-L50], a server (central lottery computer with communication links) [Fig. 1 # 22; C6 L8-L33], and a terminal interconnected to the server through a network, said terminal comprising [Fig. 2; C6 L8-L33], a card reader section for reading/writing information in the integrated circuit card for recording a subtraction of a service charge for a user of the integrated circuit card from fund information stored in the integrated circuit card [C6 L60; C1 L50 to C2 L5], a card verification section for verifying the integrated circuit card read by the card reader section [C7 L25-L36; C8 L35-L58], a display section for displaying a user interface of a lottery service for the user of the integrated circuit card [Fig. 2; C6 L60], an input section for receiving input of information

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from the user (player entry data) [Abstract; C5 L15-L25], a memory section for storing information from the user interface displayed on the display section [C7 L1-L24], a first communication section interconnected to the network, so as to transmit the information of the integrated circuit card read by the card reader section and the information inputted through the input section to the server, and to receive the information transmitted from the server [Fig. 1; C7 L25-L65], a second communication section interconnected to the network, for transmitting and receiving lottery service information [Fig. 1; C7 L25-L65], a lottery ticket sale information storage section for storing information about a lottery ticket sold through said terminal [C6 L7-L33; C7 L25-L65], a lottery ticket information generation section for generating an intrinsic identification code of a lottery ticket sold to the user [C2 L6-L24], a cipher algorithm section for permanently storing a verification cipher algorithm (verification code) for generating a cipher value with respect to the information received by the terminal [C8 L60 to C9 L60], a lottery ticket purchaser verification section for comparing the cipher value generated in the cipher algorithm section when winnings are paid with a cipher value stored in the lottery ticket sale information storage section [C8 L60 to C9 L60]; and a control section for controlling sections of the server [C1 L7-L30; C7 L44-L65; C8 L10-L35].

Re. Claim 2, McCarthy discloses a memory section capable of recording and erasing information, for storing information about the integrated circuit card and information on a fund for paying for the lottery service [Fig. 3; C8 L35-L59], a cipher algorithm section for storing a verification cipher algorithm for generating a cipher value from the information

stored in the memory section of the integrated circuit card [C8 L60 to C9 L60], and an input/output section for transmitting information stored in the memory section to external systems and receiving information transmitted from the external systems [Fig. 3; C8 L60 to C9 L60; C1 L7-L67].

Re. Claim 4, McCarthy discloses lottery ticket information generation section having means for generating an intrinsic identification code which is an intrinsic purchase identification code when a user purchases a lottery ticket or a winning identification code when the lottery ticket sold to the user is a winning ticket [C2 L7-L60; C59 to C60 L18].

Re. Claim 5, McCarthy discloses determining that an integrated circuit card placed in a terminal of a system by a user is normal [C9 L60 to C10 L9], when the integrated circuit card is determined to be normal and when the user selects a lottery service, then performing a lottery transaction including issuing a lottery number at the terminal and storing transaction information about the issued lottery number in the integrated circuit card [Fig. 2; C6 L7-L33; C7 L25-L65; C9 L60 to C10 L9], and issuing winnings for a winning lottery number at a terminal of the system only when the integrated circuit card in the terminal is determined to be the same integrated circuit card used when the lottery number was issued [C9 L18-L59].

Re. Claim 10, McCarthy discloses changing a value stored on the integrated circuit card corresponding to a lottery fund, to debit the price of the lottery transaction from the lottery fund (load) [C1 L5 to C2 L24].

Re. Claim 11, McCarthy discloses transmitting details of the lottery transaction to a server connected to the terminal [C1 L7 to C2 L63].

Re. Claim 13, McCarthy discloses generating in the integrated circuit card a cipher value based on a card verification key stored in the integrated circuit card, and transmitting the generated cipher value to the terminal (encode) [C9 L19-L60].

Re. Claim 14, McCarthy discloses in performing the lottery transaction, receiving an intrinsic purchase identification code from a server connected to the terminal and storing the intrinsic purchase identification code both in the server and in the integrated circuit card in the terminal [C11 L30 to C12 L67].

Re. Claim 15, McCarthy discloses in performing the lottery transaction, printing details of the transaction on a printer in the terminal (invoice, printing of a written record) [C2 L25-L43; C10 L24-L40].

Re. Claim 17, McCarthy discloses transmitting an intrinsic purchase identification code from an integrated circuit card in a terminal to a server, and checking the intrinsic

purchase identification code transmitted to the server against a database to determine if the user of the integrated circuit card has purchased a winning lottery number [C2 L7-L60; C59 to C60 L18; C8 L60 to C9 L60].

Re. Claim 24, McCarthy discloses the lottery service being an instant lottery service in which winnings are issued for a winning lottery number at the terminal of the system before the user has removed the integrated circuit card from the terminal [C9 L19-L67].

***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**Claims 3, 12, 18-23 and 25-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over McCarthy.**

Re. Claim 3, McCarthy discloses a fund information sector, for storing fund information capable of being expended by the integrated circuit card [Fig. 3; C1 L50 to C2 L5]; a fund information backup sector, for storing a backup of fund information stored in the fund information sector (digital record with same content) [C3 L7-35], a card verification key sector, for storing a card verification key for confirming if the integrated circuit card is available, a user sector, for storing lottery ticket information of the lottery ticket purchased in the terminal by means of the integrated circuit card, the lottery ticket

information including at least one of the type of the lottery ticket, a lottery ticket dedicated fund, lottery ticket deposits, personal information of the purchaser, details of the purchase of the lottery ticket, an intrinsic purchase identification code of the lottery ticket, a secret purchase code (entry number) of the lottery ticket, and a winning identification code of the lottery ticket [C1 L7 to C5 L55]. McCarthy does not explicitly disclose a manufacturer sector for storing information in relation to a manufacturer of the integrated a circuit card and an issuer sector, for storing information in relation to an issuer of the integrated circuit card. However, these steps are known and found in most phone cards and credit card to display who is the manufacturer (license holder) and who is the distributor to properly settle the account, where the actual card is made by VISA Company but the Card is issued by a bank. For example; A visa card is licensed by Visa U.S.A (manufacturer) and issued by MBNA America Bank is printed at the back of the card and this information is coded in visa number and magnetic strip. Similarly, American Express Blue chip card and European cards and phone card are encoded with these information that enables the sellers (merchant, phone companies, lottery agent) to collect money and appropriately settle the account and return the defective card to manufacturer.

Re. Claim 12, McCarthy discloses confirms the sale of a winning entry, prize payout authorizations and guard against the possibility of a fraudulent claim of a win [C2 L1-L63; C4 L22-L62]. McCarthy does not explicitly disclose when the price of the lottery transaction is greater than the value of the lottery fund, then refusing to complete the



transaction. However, this is well known practice in business to reject (refuse) to pay if the payment is larger than the account balance to prevent over draft or fraud. For example, in banking, if a checking account balance is less than check withdrawn against the account will be rejected. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of McCarthy and place a limit for a withdrawal to prevent fraud or overdraft.

Re. Claims 18-23, McCarthy does not explicitly disclose when the user has purchased a winning lottery number, determining if the user has won a large winnings or a small winnings, and when the user has won a small winnings, changing a value stored on the integrated circuit card corresponding to a lottery fund, to debit the price of the lottery transaction from the lottery fund, when the user has won a large winnings, requesting the user to select a winnings payment method, when the user selects a bank payment method, transmitting inputted bank payment information to the server, when the user has won a large winnings, requesting the user to select a winnings payment method, when the user selects an account transfer method, transmits account transfer information inputted by the user to the server, when the user selects an account transfer method, transmits account transfer information inputted by the user to the server, comprising classifying winnings into large or small winnings based on the value of the winnings, comprising classifying winnings into large or small winnings based on the prize level of the winnings. However, these steps are mostly used in lotto winnings where the small winning (\$1, \$5) are paid by the agent but the larger wins are paid by

the lottery agency to comply with state and lottery regulations and the winner takes a check. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of McCarthy and place a restriction to comply with the regulations, authenticate the ticket, prevent fraud and make the player to pay tax.

Re. Claims 25-26, McCarthy does not explicitly disclose performing a drawing to determine a winning lottery number after the user has removed the a integrated circuit card from the terminal and providing a communication service to the user of the integrated circuit card using the card as means of payment for the communication service. However, these are not inventive steps and known to most gambling machine utilize credit cards and pay per view subscriber where for gambling machine the card has to remain inserted until the game is played otherwise the machine does not operate and pay per view, the fee is deducted from the card account. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to modify the disclosure of McCarthy and take steps to prevent fraud and collect service fees.

**Claims 6-9 and 16 are rejected under 35 U.S.C. 103(a) as being unpatentable over McCarthy in view of Yacenda (US 6,383,078).**

Re. Claims 6-9, McCarthy does not explicitly disclose when the user selects a lottery service, determining that the user is an adult, and when the user is not determined to be an adult, then refusing to perform a lottery transaction. However, Yacenda (US 6,383,078) discloses a system and a method is provided for facilitating on-line lottery games over the Internet [Abstract] [Fig. 6], additionally discloses when the user selects a lottery service, determining that the user is an adult, and when the user is not determined to be an adult, then refusing to perform a lottery transaction (verifies the age) [C3 L60-67; C5 L62 to C6 L15], requesting the user to input a user identification code at the terminal (email address and password) [Fig. 6; C7 L40 to C8 L40], transmitting the inputted user identification code to a server connected to the terminal [Fig. 6; C7 L40 to C8 L40; C4 L42-60], and determining if the inputted user identification code is in a database stored at the server [Fig. 6; C7 L40 to C8 L40], the inputted user identification code being a social security number or residence code (address zip and telephone) [Fig. 6; C7 L40 to C8 L40], and after determining that the user is an adult, requesting additional personal information from the user [C3 L60-67; C5 L62 to C6 L15] to verify the minimum age of lottery player. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosures of McCarthy and Yacenda to check the player age if the player age is equal or over the minimum other wise the player is not provided the lottery game.

Re. Claim 16, McCarthy does not explicitly disclose when the user is connected to a web site connected to a server of the system and the user inputs the number of a

purchased lottery ticket, then checking the inputted lottery number to see if a the lottery number is a winning number and transmitting this information to the user. However, Yacenda discloses this step [C4 L4-L60; C8 L4 to C9 L44] to allow subscriber (player) to access the lottery system using Internet. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosures of McCarthy and Yacenda to allow the player to redeem the winning amount.

### **Conclusion**

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

*US 5,787,156 to Katz, Jul. 28, 1998 "Telephonic-interface lottery system", discloses A telephonic-interface lottery system D interfaces with a multiplicity of individual terminals T1-Tn of a telephone network facility C to enable lottery players to call and play for at least one additional chance to possibly win by dialing a pay-to-dial telephone number indicated on a "scratch-off" or online game lottery ticket for use in the system. At the terminals, callers are prompted by voice-generated instructions to provide digital data, such as their telephone number, age, social security number, and/or drivers license number. In addition, the sequence number of the caller as well as the date and time of the call is recorded for positive association with a caller and is stored for processing.*

*US 4,882,473 to Bergeron et al, Nov. 21, 1989 "On-line wagering system with programmable game entry cards and operator security cards" discloses an on-line*

*wagering system with programmable game entry cards including cards having on-card data storage for value tokens and data uniquely related to the player and including cards with on-card data storage for operator security data. The player cards are operable as payment means in which the tokens are spent and as play validation and play entry means in lieu of mark sense slips and printed validation receipts.*

*US 5,371,345 to LeStrange et al, Dec. 6, 1994 "Gaming machine change system" discloses providing change to gaming machine players is facilitated by the use of a change card having a memory storing a cash value which a change person can use to input a credit into a gaming machine in exchange for cash from a player. A game monitor unit having a card reader, a keypad and a display is attached to the gaming machine and can be used to authorize and transfer a selected cash value to the credit meter of the gaming machine from the change card. Cash values along with authorizations and security codes are input to the change card at a change station utilizing a similar monitor unit.*

*US 6,266,653 to Shiobara et al, Jul. 24, 2001 "Apparatus and method for managing and possessing electronic money, management and possession medium and recording medium for recording electronic money management and possession program read by computer" discloses an apparatus and a method suitably used for managing and possessing electronic money which is defined as an electronic symbol of currency, and a management and possession medium. The invention also relates to a recording medium for recording electronic money management and possession programs to be read by a computer.*

*US 5,772,510 to Roberts, Jun. 30, 1998 "Lottery ticket and system" discloses A non-completed lottery ticket having a blank region adapted for having printed therein*

*information necessary to complete the ticket. The necessary information includes "play data" used to determine the win/lose outcome of the ticket, either "instantly" or at a future date. A lottery ticket having a first number concealed with a removable material and a blank region adapted for having printed thereon a second number, the first and second numbers indicating the win/lose outcome of the ticket.*

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T Dass whose telephone number is 703-305-4694. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S Souh can be reached on 703-308-0505. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Harish T Dass  
Examiner  
Art Unit 3628



JEFFREY PWU  
PRIMARY EXAMINER

6/18/04